
SENATE BILL No. 509

DIGEST OF INTRODUCED BILL

Citations Affected: IC 2-2.1-4.

Synopsis: Mandated health coverage evaluation. Establishes the mandated health coverage evaluation commission. Requires the commission to gather and evaluate information concerning legislative proposals that mandate health coverage for specified services.

Effective: July 1, 2003.

Ford

January 23, 2003, read first time and referred to Committee on Health and Provider Services.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

SENATE BILL No. 509

A BILL FOR AN ACT to amend the Indiana Code concerning the general assembly.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 2-2.1-4 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2003]:

4 **Chapter 4. Mandated Health Coverage Evaluation Commission**

5 **Sec. 1. As used in this chapter, "accident and sickness insurance**
6 **policy" has the meaning set forth in IC 27-8-14.2-1.**

7 **Sec. 2. As used in this chapter, "bill" refers to a bill or**
8 **resolution that:**

9 **(1) has:**

10 **(A) been referred to the commission by the legislative**
11 **council; or**

12 **(B) failed in a session of the general assembly; and**

13 **(2) requires specified health care coverage, or an offering of**
14 **specified health care coverage under:**

15 **(A) an accident and sickness insurance policy; or**

16 **(B) a contract with a health maintenance organization.**

17 **Sec. 3. As used in this chapter, "commission" refers to the**



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1 mandated health coverage evaluation commission established by
2 section 5 of this chapter.

3 Sec. 4. As used in this chapter, "health maintenance
4 organization" has the meaning set forth in IC 27-13-1-19.

5 Sec. 5. The mandated health coverage evaluation commission is
6 established to evaluate bills concerning mandated health coverage.

7 Sec. 6. (a) The commission consists of twelve (12) members
8 appointed as follows:

9 (1) Two (2) members of the house of representatives,
10 appointed by the speaker of the house of representatives. The
11 individuals appointed under this subdivision must be
12 members of different political parties.

13 (2) Two (2) members of the senate, appointed by the president
14 pro tempore of the senate. The individuals appointed under
15 this subdivision must be members of different political
16 parties.

17 (3) Two (2) members to represent small business, one (1)
18 appointed by the speaker of the house of representatives and
19 one (1) appointed by the president pro tempore of the senate.

20 (4) One (1) member to represent the insurance industry,
21 appointed by the president pro tempore of the senate.

22 (5) One (1) member to represent labor, appointed by the
23 speaker of the house of representatives.

24 (6) One (1) member who is employed with an independent
25 actuarial firm, appointed by the president pro tempore of the
26 senate.

27 (7) One (1) member who is a physician provider, appointed by
28 the president pro tempore of the senate.

29 (8) Two (2) members who are consumers and who are
30 employed, one (1) appointed by the speaker of the house of
31 representatives and one (1) appointed by the president pro
32 tempore of the senate.

33 (b) Not more than six (6) members appointed to the commission
34 may be members of the same political party.

35 Sec. 7. The chairman of the legislative council shall appoint the
36 chair of the commission. The chair of the commission serves at the
37 pleasure of the chairman of the legislative council.

38 Sec. 8. The commission shall operate under the rules of the
39 legislative council.

40 Sec. 9. (a) The commission shall study bills requiring mandated
41 health coverage and, to the extent the commission is able, gather
42 and evaluate information concerning the following:

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(1) The extent to which the coverage specified in the bill is already generally available.

(2) The extent to which the coverage specified in the bill is included in coverage negotiated through collective bargaining.

(3) The extent to which the coverage specified in the bill is provided by self-funded employer groups in Indiana that employ at least five hundred (500) employees.

(4) The extent to which the health care service for which coverage is specified in the bill is generally recognized by nationally recognized organizations as being effective in the treatment of patients.

(5) The extent to which the health care service for which coverage is specified in the bill is generally recognized by the medical community, as demonstrated by a review of scientific and peer review literature.

(6) The extent to which the coverage specified in the bill will increase or decrease the cost of:

(A) the health care service for which coverage is specified; and

(B) related health care services.

(7) The extent to which the coverage specified in the bill will increase or decrease the appropriate use of:

(A) the health care service for which coverage is specified; and

(B) related health care services.

(8) The extent to which the health care service for which coverage is specified in the bill will be a substitute for related health care services.

(9) The extent to which the coverage specified in the bill will increase or decrease the administrative expenses of insurers and the premiums and administrative expenses of individuals covered under an accident and sickness insurance policy or a contract with a health maintenance organization.

(10) The effect of the mandate established by the bill on hiring practices, expansion, and profitability of businesses, including the hiring practices, expansion, and profitability of businesses with not more than one hundred (100) employees.

(11) The effect of the mandate established by the bill on employers' ability to purchase coverage that meets the needs of the employers' employees.

(b) To the extent resources are available to the commission, the commission may have prepared an actuarial analysis of each

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1 health care service for which coverage is mandated by a bill. The
2 analysis must be prepared in accordance with the actuarial
3 standards of practice adopted by the Actuarial Standards Board of
4 the American Academy of Actuaries.

5 Sec. 10. The legislative services agency shall make information
6 resulting from activities of the commission available to the public
7 in electronic and other forms.

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